

# 51st REPORT

of

Washington State Liquor Control  
Board



July 1, 1983  
to  
June 30, 1984

## DEFENDANT'S EXHIBIT

CASE  
NO. C04-0360P

EXHIBIT  
NO. 495

Resp to Costco RFP  
8294

TX495-001

WAC 314-12-110 was amended to raise the fee for a change of location to \$75.

#### Near Beer (Repeal)

WAC 314-12-160 was repealed responding to a legislative determination (Chapter 78, Laws of 1984) to exclude low alcohol wine (in the amount of less than one-half of one percent alcohol by volume) from regulation as wine. This rule had since 1938 regulated near beer in much the same manner as beer. Malt beverages containing one-half of one percent alcohol or less is "near beer" and no longer subject to regulation by the Board.

#### Banquet Liquor

WAC 314-16-040(1) While the board requires that the only liquor a retail licensee may keep on the premises is that liquor authorized by the class of license held, this amendment authorizes persons to consume and possess their own liquor in licensed premises under authority of a banquet permit.

#### Liquor in Confectionary and Food Products

WAC 314-16-040(2) was amended to authorize beer and/or wine licensees to use spirituous liquor in the manufacture of confectionary and food products.

WAC 314-70-040 provides rules for purchase by the Board of liquor from other governmental agencies.

#### Banquet Permits

WAC 314-18-040 This amendment requires that where there is an application for a banquet permit for an event to be held at a state armory, the approval of the Adjutant General or his designee, and of the chief of police or county sheriff where the event is to be held must be obtained.

This amendment was comparable to the then present requirements of the rule that where an application is for a banquet permit for a function in a city or county park, elementary, high school or college campus, written approval must be furnished by the applicant from the appropriate local authority or official.

#### Reporting and Payment of Beer and Wine Taxes

WAC 314-20-010 and WAC 314-24-110 These two amendments allow the Board to make arrangements for reporting and payment of beer and wine taxes on an individual basis where an in-state licensee purchases beer and/or wine primarily for export from the state.

#### Minimum Qualifications for a Class P (Gift Wine Delivery Service) License

WAC 314-16-205 establishes the standards and qualifications requisite for issuance of class P license authorized by RCW 66.24.550. The business must be established for at least three months and the sale of wine for gift delivery shall not be the principal business of the licensee.

#### Class H Exemption for Banquet Permit Liquor

WAC 314-16-110(3) A class H licensee cannot (except for antique, unusual or unique liquor bottles) keep on the licensed premises spirituous liquor not purchased from the Board at a discount. This amendment makes a further exemption to authorize spirituous liquor on a class H licensed premises under the authority of a banquet permit.

#### Package Sizes for Beer

WAC 314-20-030 was amended to conform the Board's rules relating to package sizes to the federal requirements pertaining to the statement of the net contents.

#### Liquor Advertising

WAC 314-52-110 was amended to prohibit a retail licensee from selling any liquor for on-premises consumption under advertising slogans such as "two for the price of one," "buy one—get one free," or any similar phrase or slogan.

#### Indian Liquor Vendors

WAC 314-37-010 was amended to bring its provisions into conformity with the status of the law relating to liquor sales in Indian Country after the U.S. Supreme Court decision in *Rice v. Rehner*. The rule provides a method whereby qualifying tribes desiring to do so may enter into negotiated agreements with the Board for appointment as tribal liquor vendors enabling them to sell liquor in conformity with state licensing and regulatory law.

#### Sale of Beer, Wine or Spirituous Liquor Below Cost

WAC 314-52-114 readopted the policy in effect under a former rule (WAC 314-52-110(2)) that sales of liquor below cost or as loss leaders, with certain exemptions, will not be permitted.

#### Licensee Responsibility

WAC 314-12-125 provides that a licensee is responsible for the proper operation of his/her licensed premises according to the liquor